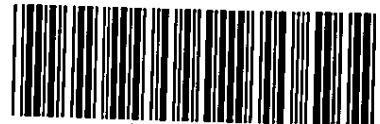


Ipreo UK Holdings Limited

**Directors' report and financial statements**

Year ended 31 December 2011  
Registered number 7736019

TUESDAY



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A27	18/12/2012	#172
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LD7	05/12/2012	#59
	COMPANIES HOUSE	

## **Ipreo UK Holdings Limited**

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## Directors' Report

The directors present their annual report on the affairs of the group and the audited financial statements for the year ended 31 December 2011. The registered number of the company is 07736019.

References to "the Group" below relate to Ipreo UK Holdings Limited and its UK subsidiaries and not to the wider global Ipreo group of companies.

### Company formation

On 5th August 2011, the ultimate parent company Ipreo Holdings LLC was acquired by IH Holdings (Cayman) L.P. (Parent) and merged into a wholly owned subsidiary of the Parent, with Ipreo Holdings LLC continuing as a limited liability company. On 10th August 2011, Ipreo UK Holdings Limited was incorporated. On 20th September 2011, a restructure of the UK group was completed and the ownership of Ipreo Ltd and its subsidiaries and Ipreo Capitalbridge Limited being transferred to Ipreo (UK) Holdings Limited from its parent, I-Deal LLC.

The Directors have viewed the transfer of the shareholdings of Ipreo Limited and its subsidiaries and Ipreo Capitalbridge Limited as a merger and have accounted for the transaction accordingly. This is described further in Note 1 to the financial statements.

Accordingly, while this is the first published set of financial statements for the company, the information presented about its group includes comparative information presented for the year ended 31 December 2010.

## Review of Business

### Principal Activities

The principal activities of the Group are to provide software services for the debt and equity markets, specifically for the primary issuance of bond instruments and the capital raising process and the associated data generated.

The company acts as a UK Holding company of Ipreo Holdings LLC and holds investments in a number of trading subsidiaries.

### Results

Revenue growth was 22% from 2010 to 2011 due principally to the continued new business wins within the fixed income market.

The operating profit increased from £38k to £2,036k from 2010 to 2011.

#### Revenue

##### Fixed Income

Issuebook and Issuenet, our two core products, showed growth of 25% from 2010 to 2011, in line with expectations.

##### Other revenue

Other revenue streams remained relatively stable from year to year.

#### Profit

The profit on the continuing activities of the Group before interest and tax increased year on year from £38k to £2,036k. Revenue increased 22% from 2010 to 2011, however cost of sales increased only by 3%. Operating costs decreased by 10%, reflective of the increased efficiencies now in place across the group.

The group has no liability to UK taxation (2010: £ nil). As at 31 December 2011, the group has UK tax trading losses available to carry forward against profits of the same trade of approximately £6.8m (2010: £8.7m).

Cash at the end of the year was £42k (31 December 2010: £377k). The Group operates a cash pooling arrangement with both Hemscott Holdings Ltd, a fellow subsidiary, and Ipreo Holdings LLC, its ultimate parent company. Net cash inflow from operating activities for the year totalled £25k (2010: £692k).

The Group's cash is invested in short term deposits and current accounts with the major banks and building societies. The treasury strategy is controlled through a Treasury Committee, comprising the Chief Executive Officer and the Chief Financial Officer, and operates in accordance with the documented policies and procedures approved by the Board.

### Future developments

The business has experienced significant growth over the last few years reflecting the demand for our core product by the Tier 1 and Tier 2 banks and continued innovation and evolution of it. Growth is expected at a more moderate rate, in line with that of 2011, particularly through North America, South America and the APAC regions.

### Financial and non-financial KPI's

The Group has always measured itself primarily on financial KPI's derived from the profit and loss, cashflow and balance sheet which are commented on in this business review. Another important KPI for the group is the level of deferred income which at 31 December 2011 was £2.7m (2010: 2.0m).

### Employees

The Group places considerable value on the involvement of its employees and keeps them informed on matters affecting them as employees and on the various factors affecting the performance of the group. This is achieved through formal and informal meetings. The Group operates an equal opportunities policy and is opposed to any form of less favourable treatment afforded on the grounds of, for example, disability, gender, race, sexual orientation or religion.

### Research and development

The company continues to invest significantly in product development. The combination of Hemscott, I-Deal and Marketpipe as part of the global Ipreo group has brought together a complimentary set of products designed to serve the investment community. Research and development continues to be focused on integrating and further enhancing the products of the three companies, as well as enhancing a number of back office systems.

## Directors' Report continued

### Financial instruments

As part of the group restructuring, the company issued £11.5m of loan notes to a fellow subsidiary of Ipreo Holdings LLC. These loan notes are listed on the Channel Island Stock Exchange ("CISX"). Ipreo Holdings LLC has a long term debt facility consisting of a \$115 million term loan and a \$20 million revolver. This facility is secured by all of the assets of Ipreo Holdings LLC and its subsidiaries and contains financial and non financial covenants and negative covenants. At December 31 2011, Ipreo Holdings LLC is in compliance with all covenants.

### Risks and uncertainties

There are risks and uncertainties relevant to the Group's business. The factors listed below are among those that the Group thinks could cause the Group's actual results to differ materially from expected and historical results.

#### *Risk that R&D will not deliver commercially successful new products*

Continued development of commercially viable new products is critical to the Group's ability to grow and stay ahead of the competition. Developing new products is a costly, lengthy and uncertain process. New products may appear promising in development but, after significant investment, may have limited commercial success.

#### *Third party competition*

The Group operates in highly competitive businesses. Significant product innovations, technical advances or the intensification of price competition by competitors could adversely affect the Group's operating results.

#### *Reliance on information technology*

The Group is dependent on information technology systems, including Internet-based systems, for internal communication and delivering products and services to customers. Any significant disruption of these systems, whether due to computer viruses or other outside incursions, could materially and adversely affect the Group's operations.

#### *Exposure to foreign exchange fluctuations*

The Group conducts a substantial portion of its operations outside the UK, primarily in the US and Europe. Fluctuations in exchange rates between Sterling and the US dollar / Euro could materially affect the Group's financial results.

#### *Human resources*

The Group has 72 employees (2010: 72 employees) in the US. Failure to continue to recruit and retain the right people and maintain a culture of compliance could have a significant adverse effect on the Group.

### Directors

Gary Brian Dockray  
Paul Lucas  
Scott Ganeles  
Kevin Marcus  
Yasmin Hussein

#### *Directors' Indemnity*

The company's Articles of Association provide, subject to the provisions of UK legislation, an indemnity for directors and officers of the company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers, including any liabilities relating to the defence of any proceedings brought against them which relate to anything done or omitted, or alleged to have been done or omitted, by them as officers or employees of the company.

Our previous auditors, Mazars LLP, resigned during the year and the directors appointed KPMG LLP to fill the casual vacancy arising. Pursuant to s487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### Charitable and Political Donations

Charitable donations of £nil were made during the year (2010: £nil). No political donations were made during the year (2010: £nil).

## Statement of Directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of their profit or loss for that period. In preparing each of the group and the parent company financial statements, the directors are required to

select suitable accounting policies and then apply them consistently;

make judgements and accounting estimates that are reasonable and prudent;

state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

## Directors' Report continued

### Auditor

Each of the persons who is a director at the date of approval of this report confirm that

- so far as the director is aware there is no relevant audit information of which the Company's auditor is unaware, and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information



By order of the Board

Paul Lucas

Director

Date

Company number 7736019

16<sup>th</sup> December 2012

## Independent auditor's report to the member of Ipreo UK Holdings Limited

We have audited the financial statements of Ipreo UK Holdings Limited for the year ended 31 December 2011 set out on pages 7 to 15. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members as a body in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to it in an auditor's report and for no other purpose. To the fullest extent permitted by law we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report or for the opinions we have formed.

### Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the directors are responsible for the preparation of financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/private.cfm](http://www.frc.org.uk/apb/private.cfm).

#### Opinion on the financial statements

In our opinion the financial statements

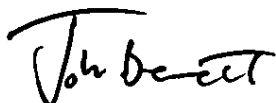
give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2011 and of the group's profit for the year then ended;  
have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and  
have been properly prepared in accordance with the requirements of the Companies Act 2006.

#### Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:  
adequate accounting records have not been kept by the parent company; or returns adequate for our audit have not been received from branches not visited by us; or  
the parent company financial statements are not in agreement with the accounting records and returns; or  
certain disclosures of directors' remuneration specified by law are not made; or  
we have not received all the information and explanations we require for our audit.



John C Bennett (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
15 Canada Square  
London  
E14 5GL

5 December 2012.

**Ipreo UK Holdings Limited**

**Consolidated profit and loss account**

For the year ended 31 December 2011

	Notes	2011 £'000	2010 £ 000
Turnover	2	8,589	7 023
Cost of Sales		(2,160)	(2,099)
Gross profit		6,429	4,924
Operating expenses		(4,393)	(4,885)
Operating profit	4	2,036	39
Interest payable and similar charges	3	(439)	(130)
Profit/ (loss) on ordinary activities before taxation		1,597	(91)
Tax (charge)/credit on profit/(loss) on ordinary activities	6	(738)	859
Retained profit for the financial year	15	859	768

All operations in the current financial year are classified as continuing

There are no recognised gains and losses other than those stated above and therefore no separate statement of total recognised gains and losses has been presented

Ipreo UK Holdings Limited

Consolidated balance sheet

31 December 2011

	Notes	2011 £'000	2010 £'000
<b>Fixed assets</b>			
Goodwill	7	3,452	4 143
Tangible assets	8	379	423
		<b>3,831</b>	<b>4 566</b>
<b>Current Assets</b>			
Debtors - amounts falling due within one year	10	2,558	1 926
Debtors - amounts falling due after one year	10	9	-
Cash at bank and in hand		42	377
		<b>2,609</b>	<b>2 303</b>
<b>Creditors</b> Amounts falling due within one year	12	<b>(12,851)</b>	<b>(14,585)</b>
<b>Net current liabilities</b>		<b>(10,242)</b>	<b>(12 282)</b>
<b>Total assets less current liabilities</b>		<b>(6,411)</b>	<b>(7,716)</b>
<b>Creditors</b> Amounts falling due after more than one year	13	<b>(14,065)</b>	<b>(2,146)</b>
		<b>(20,476)</b>	<b>(9,862)</b>
<b>Capital and reserves</b>			
Share capital	14	12,698	12 698
Merger Reserve	15	(17,384)	(5 911)
Profit and loss account	15	(15,790)	(16,649)
<b>Shareholder's deficit</b>	15	<b>(20,476)</b>	<b>(9,862)</b>

The financial statements were approved by the board of directors on 4<sup>TH</sup> DECEMBER 2012

and signed on its behalf by



Paul Lucas  
Director



**Ipreo UK Holdings Limited**

**Company balance sheet**


31 December 2011

	Notes	2011 £'000
<b>Fixed Assets</b>		
Tangible Assets		-
Investments	9	24,171
		<b>24,171</b>
<b>Current assets</b>		
Debtors - amounts falling due within one year		-
Debtors - amounts falling due after one year		-
Cash at bank and in hand		-
		-
<b>Creditors - Amounts falling within one year</b>		-
<b>Net current liabilities</b>		-
<b>Total assets less current liabilities</b>		<b>24,171</b>
<b>Creditors - Amounts falling due after more than one year</b>	13	<b>(11,785)</b>
		<b>12,386</b>
<b>Capital and Reserves</b>		
Called up share capital	14	12,698
Profit and loss account	15	(312)
<b>Shareholder's deficit</b>	15	<b>12,386</b>

The financial statements were approved by the board of directors on

4<sup>th</sup> DECEMBER 2012

and signed on its behalf by



Paul Lucas  
Director

**Ipreo UK Holdings Limited**

**Consolidated cash flow statement**

For the year ended 31 December 2011

	Notes	2011 £'000	2010 £'000
Net cash inflow from operating activities	16	25	692
Returns on investments and servicing of finance	17	(127)	(131)
Taxation	17	-	-
Capital expenditure and financial investments	17	(233)	(385)
Cash (outflow)/inflow before management of liquid resources and financing		(335)	176
(Decrease)/increase in cash in the year	17	(335)	176

## Ipreo UK Holdings Limited

### Notes to the Financial Statements For the year ended 31 December 2011

#### 1 Principal accounting policies

##### Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### Basis of consolidation

The company was incorporated on 20 September 2011 as a subsidiary of Ipreo Holdings LLC. In exchange for the issue of share capital and the issue of loan notes the investment in Ipreo Limited and Ipreo CapitalBridge Limited was acquired by the entity from its immediate parent company I-Deal LLC.

The consolidated financial statements of Ipreo UK Holdings Limited comprise the financial statements of the company and its subsidiary undertakings prepared using merger accounting principles. Consequently the companies' businesses and assets of each subsidiary are presented as if they had been part of this group from the date on which they joined the group headed by the company's ultimate parent, Ipreo Holdings LLC. This basis of accounting has been adopted in order to present a true and fair view.

The subsidiary undertakings were transferred between the continuing Ipreo Holdings LLC subgroup and the Ipreo UK Holdings Limited subgroup on terms that did not meet the requirements of Schedule 6 paragraph 10 of the Companies Act 2006 *The Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008* (SI 2008 No 410) as the consideration included £11,473,000 of loan notes as well as share capital. Consequently FRS 6 requires that acquisition accounting principles should be used in respect of those transactions and that the assets and liabilities of the subsidiaries involved should be presented at fair value and to recognise any resulting goodwill.

The directors consider that to apply acquisition accounting to any part of the reorganisation would fail to give a true and fair view of the Ipreo UK Holdings Limited group's state of affairs or results as the ultimate shareholder Ipreo Holdings LLC remains unchanged. Had this departure not been necessary the effect on these financial statements would have been to consolidate the financial statements of the subsidiary undertakings based on the fair values of the related assets and liabilities at the date of incorporation of the company and to present the results of the group from the date of incorporation to 31 December 2011. Owing to the number and complexity of transactions involved, it is not practicable to quantify the effect of this departure.

##### Going concern

At 31 December 2011, the group had net current liabilities of £10.2m. This is primarily due to £9m of liabilities due to fellow group undertakings of the company's ultimate parent, Ipreo Holdings LLC. The accounts have been prepared on a going concern basis as the Directors have received appropriate assurances from Ipreo Holdings LLC, the Company's ultimate parent company, that it will continue to provide financial support to the Company in order that it can continue to trade and meet its liabilities as they fall due. This includes not seeking repayment of intercompany company balances. Accordingly, Ipreo Holdings LLC has undertaken to provide this financial support for a period of not less than 12 months from the approval of the accounts or for as long as the Company remains a member of its group. The Directors have considered the cash flow projections of the group taking into account the ongoing support of the parent and concluded that the group would have sufficient cash resources to continue to operate.

##### Investments

Fixed asset investments are shown at cost less provision for any impairment.

##### Goodwill

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life of ten years. Provision is made for any impairment in the first year following acquisition and subsequently if there are any indicators of impairment, provision is made for impairment in the financial statements.

##### Turnover

Turnover, the portion of invoicing that relates to the financial reporting period, represents amounts receivable from customers for goods and services provided in the normal course of business net of VAT and other sales-related taxes. Sales under contracts covering future periods, which are invoiced quarterly or annually in advance, are deferred and credited to the profit and loss account over the period to which they relate.

##### Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost less estimated residual value of each asset evenly over its expected useful life, as follows:

- Leasehold improvements - over the term of the lease
- Computer equipment and software (including capitalised cost assets) - three years
- Fixtures and fittings - three years

##### Taxation

UK corporation tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

##### Pensions

The company operates a defined contributions pension scheme. Contributions are charged to the profit and loss account as they become payable in accordance with the rules of the scheme.

##### Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange existing at the balance sheet date. Transactions in foreign currencies are recorded at the rate existing at the date of translation. All differences are taken to the profit and loss account.

**Ipreo UK Holdings Limited**

**Notes to the Financial Statements continued**  
For the year ended 31 December 2011

**Presentation of company profit and loss**

As permitted under Section 408 of the Companies Act 2006 the company has not presented its own profit and loss account which is presented to the board and approved at the date of signing these accounts

**2 Segmental reporting**

	2011	2010
	£'000	£'000
<b>Turnover by class of business</b>		
Sale of fixed income software and solutions	7,537	5,997
Other revenue	1,052	1,026
	<b>8,589</b>	<b>7,023</b>
<b>Geographical segments</b>	2011	2010
	£'000	£'000
<b>Turnover by destination</b>		
UK	3,352	2,786
Other Europe	2,988	2,192
North America	1,722	1,956
Asia Pacific	527	89
	<b>8,589</b>	<b>7,023</b>

All turnover originates in the UK

<b>3 Interest payable and similar charges</b>	2011	2010
	£'000	£'000
Interest payable on intercompany balances	(439)	(131)

**4 Operating profit/loss**

	2011	2010
	£'000	£'000
<b>Operating profit/loss is stated after charging</b>		
Depreciation on owned assets	Note 8 277	154
Amortisation of goodwill	Note 7 691	691
Fees paid to KPMG LLP/Mazars LLP for the audit of the group and company financial statements	15	15
Fees paid to KPMG LLP/Mazars LLP for the audit of subsidiaries pursuant to legislation	24	24
Fees paid to KPMG LLP/Mazars LLP for taxation services	15	15

**5 Staff costs and directors remuneration**

	2011	2010
	number	number
<b>The average monthly number of employees (including executive directors) was</b>		
Cost of sales	16	13
Operational	54	57
Sales	2	2
	<b>72</b>	<b>72</b>
<b>Staff costs (including executive directors)</b>	2011	2010
	£'000	£'000
Wages and salaries	4,782	4,754
Social security costs	581	657
Other pension costs	53	62
	<b>5,416</b>	<b>5,473</b>
<b>Directors' emoluments included within staff costs</b>	£'000	£'000
Emoluments	204	245
Pension contributions	5	5
	<b>209</b>	<b>250</b>

At 31 December 2011 only one (2010 one) Director received remuneration in respect of qualifying services to the company

The directors of the company are also directors of other entities in the wider Ipreo group and their emoluments are disclosed in the financial statements of those entities as appropriate

Ipree UK Holdings Limited

Notes to the Financial Statements continued  
For the year ended 31 December 2011

6 Taxation

(a) Analysis of charge in the period

	2011 £'000	2010 £'000
<b>Current Tax</b>		
UK corporation tax on profits for the period	-	-
Current tax charge for period (see (b) below)	-	-
<b>Deferred Tax</b>		
Origination and reversal of temporary differences	738	(859)
<b>Total deferred tax</b>	<b>738</b>	<b>(859)</b>
<b>Tax charge on profit on ordinary activities</b>	<b>738</b>	<b>(859)</b>

(b) Factors affecting tax charge for the year

The tax assessment for the period is higher than the standard rate in the UK (28.5 per cent). The differences are explained below:-	2011 £'000	2010 £'000
Profit/(Loss) on ordinary activities before taxation	1,597	(91)
Profit/(Loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 28.5% (2010: 28%)	423	(25)
<b>Effects of</b>		
Amortisation of goodwill recognised on consolidation	-	193
UK group relief for non-payment	(43)	-
Expenses not deductible for tax purposes	181	5
Depreciation/amortisation in excess of capital allowances	94	70
Creation/(utilisation) of tax losses	(655)	(243)
<b>Current tax charge for the year</b>	<b>-</b>	<b>-</b>

The amount of unprovided deferred tax is disclosed below

Accelerated depreciation	88	65
Losses carried forward	1,702	1,681
<b>Total unrecognised deferred tax asset</b>	<b>1,790</b>	<b>1,746</b>

Unrecognised deferred tax

The 2012 Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. A reduction in the rate from 28% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011 and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 28 March 2012 and 3 July 2012 respectively.

This will reduce the group's future current tax charge accordingly and further reduce the unrecognised deferred tax liability (which has been calculated based on the rate of 25% substantively enacted at the balance sheet date).

No deferred tax asset has been recognised on the above losses due to uncertainty concerning the availability of profits.

<b>7 Goodwill</b>	2011 £'000
Cost at 1 January and 31 December 2011	6,907
<b>Amortisation</b>	
At 1 January 2010	(2,764)
Charge for the year	(891)
At 31 December 2010	(3,455)
<b>Net book value at 31 December 2011</b>	<b>3,452</b>
<b>Net book value at 31 December 2010</b>	<b>4,143</b>

8 Tangible fixed assets

Group	Leasehold improvements £'000	Computer Equipment and Software £'000	Fixtures and Fittings £'000	Total £'000
<b>Cost</b>				
At 1 January 2011	69	1,264	41	1,374
Additions	-	228	5	233
At 31 December 2011	69	1,492	46	1,607
<b>Depreciation</b>				
At 1 January 2011	34	895	22	951
Charge for the year	14	254	9	277
At 31 December 2011	48	1,149	31	1,228
<b>Net book value at 31 December 2011</b>	<b>21</b>	<b>344</b>	<b>15</b>	<b>379</b>
<b>Net book value At 31 December 2010</b>	<b>35</b>	<b>389</b>	<b>19</b>	<b>423</b>

Company

There are no company fixed assets.

**Ipreo UK Holdings Limited**

**Notes to the Financial Statements continued**  
For the year ended 31 December 2011

**9 Investments**

**Company**  
**Details of operating subsidiaries**

	Country of Incorporation	Principal activity	Holding %
Ipreo Limited	England and Wales	Provider of equity new issue software solutions	100
Ipreo Capitalbridge Limited	England and Wales	Provision of services to ideal LLC	100
I-Deal MP Limited *	England and Wales	Holding company	100
Marketpipe Limited **	England and Wales	Provider of fixed income new issue software solutions	100

\* Wholly owned subsidiary of Ipreo Limited

\*\* Wholly owned subsidiary of I-Deal MP Limited

**Company fixed asset investments**

Cost and NBV	Shares in group undertakings £ 000
At 1 January 2011	
Additions during the year	
Investment in Ipreo Limited	22 948
Investment in Ipreo capitalbridge Limited	1 225
<b>Cost and NBV at 31 December 2011</b>	<b>24,171</b>

During the year the investments in Ipreo Limited and Ipreo Capitalbridge Limited were transferred to the company from a fellow group undertaking of Ipreo Holdings LLC in consideration for these investments the company issued new share capital and loan notes

**10 Debtors Amounts falling due within one year**

	Group		Company	
	2011	2010	2011	2010
	£ 000	£ 000	£ 000	£ 000
<b>Amounts falling due within one year</b>				
Amounts owed by group companies	876	230	-	-
Trade debtors	1 257	573	-	-
Other taxes and social security		11	-	-
Deferred tax	121	859	-	-
Corporation tax	9	9	-	-
Other debtors	44	80	-	-
Prepayments and accrued income	251	164	-	-
	<b>2,558</b>	<b>1 928</b>		

	Group		Company	
	2011	2010	2011	2010
	£'000	£ 000	£'000	£ 000
<b>11 Debtors</b>				
<b>Amounts falling due after more than one year</b>				
Other debtors	9	-	-	-

**12 Creditors Amounts falling due within one year**

	Group		Company	
	2011	2010	2011	2010
	£'000	£ 000	£'000	£ 000
<b>Other creditors</b>				
Trade creditors	164	124	-	-
Amounts owed to group undertakings	9,042	11 383	-	-
Current corporation tax		5	-	-
Other taxation and social security	371	349	-	-
Other creditors	101	110	-	-
Accruals and deferred income	3,173	2,614	-	-
	<b>12,851</b>	<b>14 585</b>		

**13 Creditors Amounts falling due after more than one year**

	Group		Company	
	2011	2010	2011	2010
	£ 000	£ 000	£'000	£ 000
<b>Amounts owed to group undertakings</b>	(14,065)	(2,146)	(11,785)	-
	<b>(14,065)</b>	<b>(2 146)</b>	<b>(11,785)</b>	

As part of the group reorganisation that occurred in the current period Ipreo UK Holdings Limited entered into a new group loan with ideal LLC by way of issue of a loan note. The Vendor Loan Note instrument constitutes the issue of up to £11 473 000 fixed rate unsecured loan notes due 2018. The loan notes are interest bearing at a rate of 9.67% payable semi annually by the issuance of payment in kind notes. The effect of the loan note consideration has been recognised in the merger reserve in the current period.

**14 Called-up share capital**

Group	2011	2010
	£ 000	£ 000
<i>Allotted called-up and fully-paid</i>		
12 698 000 ordinary shares at £1 per share	12,698	12 698
<b>Company</b>	<b>2011</b>	<b>2010</b>
	<b>£'000</b>	<b>£ 000</b>
<i>Allotted called-up and fully-paid</i>		
Issue of new capital shares	12,698	-
12 698 000 ordinary shares at £1 per share	12,698	-

Ipreo (UK) Holdings Limited was formed on 20th September 2011. The company issued and allotted 12 698 000 ordinary shares at £1 per share to its parent company I-Deal LLC.

Ipreo UK Holdings Limited

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For the year ended 31 December 2011

15 Reconciliation of shareholder's funds and reserves

Group	Share Capital £'000	Merger reserve £'000	Profit and loss account £'000	Total £'000
At 1 January 2010 being group reorganisation recognised on the basis of merger accounting	12 698	(5 911)	(17 417)	(10 630)
Retained profit for year	-	-	768	768
At 31 December 2010	12 698	(5,911)	(16 649)	(9 862)
Movement in merger reserve (issue of loan notes)	-	(11 473)	-	(11,473)
Retained profit for year	-	-	859	859
At 31 December 2011	12,698	(17,384)	(15,790)	(20,476)

During the current period a group reorganisation was completed following the acquisition of Ipreo Holdings LLC by KKR. As part of this reorganisation Ipreo (UK) Holdings Limited was formed and 12 698 000 ordinary shares in the company at £1 per share were issued and allotted. As described in note 1 in accordance with the requirements of merger accounting the group has presented its results for the comparative period as if the group has always been in existence and the comparatives show a share capital balance in the group company. The effect of the loan note consideration has been recognised in the merger reserve in the current period.

Company	Share Capital £'000	Profit and loss account £'000	Total £'000
At Incorporation	-	-	-
Current year loss	-	(312)	(312)
Issue of new share capital	12 698	-	12,698
At 31 December 2011	12,698	(312)	12,386

16 Reconciliation of operating loss to operating cash flows

	2011 £'000	2010 £'000
Operating loss	2,036	39
Depreciation and asset disposals	277	254
Amortisation	691	691
(Increase)/decrease in debtors	(1,387)	1,286
Decrease in creditors	(1,592)	(1,578)
Net cash inflow from operating activities	25	692

17 Analysis of cash flows

	2011 £'000	2010 £'000
Returns on investments and servicing of finance		
Interest	(127)	(131)
Net cash outflow	(127)	(131)
Taxation		
UK corporation tax paid	-	-
Net cash inflow	-	-
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(233)	(385)
Net cash outflow	(233)	(385)

18 Reconciliation of movements in net debt

	1 January 2011 £'000	Cashflow £'000	Other non cash changes £'000	31 December 2011 £'000
Cash in hand at bank	377	(335)	-	42
Non cash movements	-	-	(11,785)	(11,785)
Net Debt	377	(335)	(11,785)	(11,743)

19 Commitments

The company does not have any capital commitments (2010: £nil) or any material off balance sheet arrangements.

20 Related party transactions

Name of connected party	Description of transaction during the year	Movement during 2010 £'000	Movement 2011 £'000	From/(to) at 31 December 2011 £'000	2010 £'000
Hemscott Limited	Transactions in the ordinary course of business	(37)	(28)	(3)	25
Bigdough	Transactions in the ordinary course of business	2	(3)	(1)	2
Ipreo Vision LLC	Transactions in the ordinary course of business	106	90	265	175
Ipreo Holdings LLC	Transactions in the ordinary course of business	(4)	6	(6)	(12)
Hemscott Americas Inc	Transactions in the ordinary course of business	-	86	86	-
Hemscott Holdings Ltd	Transactions in the ordinary course of business	(1,336)	(842)	(9,034)	(8 192)
I Deal LLC	Transactions in the ordinary course of business	2 890	3 679	(13 539)	(5 296)
	FX on the loan with i-Deal LLC	-	(133)	-	-
	Loan notes issued to Ipreo UK Holdings Ltd by i-Deal LLC	-	(11 473)	-	-
	Interest on loan notes	-	(316)	-	-

21 Ultimate parent company and parent undertaking of larger group of which the company is a member

The largest group in which the results of the Company are consolidated is that headed by Ipreo Holdings LLC, incorporated in the US. The smallest group in which they are consolidated is Ipreo UK Holdings Limited, incorporated in the UK. No other group financial statements include the results of the Company.